

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6831**

**BILL NUMBER: SB 318**

**NOTE PREPARED:** Jan 29, 2004

**BILL AMENDED:**

**SUBJECT:** Emission Reduction Credit Registry.

**FIRST AUTHOR:** Sen. Gard

**FIRST SPONSOR:**

**BILL STATUS:** As Passed Senate

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** This bill establishes the Emission Reduction Credit Registry.

**Effective Date:** July 1, 2004.

**Explanation of State Expenditures:** This bill requires the Department of Environmental Management to maintain a registry for emission reduction credits, create forms and instructions for registry applications and notices, and develop guidance for utilizing the credits. The bill also provides for the Air Pollution Control Board to adopt rules to implement the registry.

The Department should experience a minimal fiscal impact in administering the registry, which may require some additional staff time to establish the database and review applications. The Department also expects that any resources required during the rule-making process should be absorbed by current staff.

*Background:* The Emission Reduction Credit Registry may be used by certain permitted air pollutant discharge sources to contribute credits to the registry when a source has achieved a reduction in emissions. The credits may be used for any purpose allowed by: federal law, federal regulations, state law, or rules adopted by the Board. A permitted source that has a credit in the registry may transfer it to another entity.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Environmental Management.

**Local Agencies Affected:**

**Information Sources:** Wendy Hoffspiegel, Legislative Coordinator, Department of Environmental Management, (317) 233-3835.

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